

Supplement to Agenda Item 6A-2

EER Assurance: Destination of material from June 2019 IAASB Issues Paper (Agenda Item 8 of June 2019 meeting) in phase 2 drafting

Chapter 4 / Challenge 9: Obtaining the Competence Necessary to Perform the Engagement

Sections of June Board Meeting EER Issues Paper	Suggested destination and treatment of June Issues Paper content
<p>Introduction and context</p> <p>Challenges in obtaining the competence necessary to perform an EER assurance engagement</p> <p>166. The DP discussed, in paragraph 127, the broader, deeper and often more complex nature of the underlying subject matter addressed in EER assurance engagements, compared with that addressed in a financial statement audit, as well as the greater number of areas where judgment is required. This gives rise to a need for the assurance practitioners performing such engagements collectively to have broader and more specialized subject matter competence or to make greater use of the work of experts or other practitioners that have such competence.</p> <p>167. Such competence is needed by an assurance practitioner in order to be able to challenge management effectively, and to use of the work of practitioner's experts with a broader range of expertise. The practitioner needs the subject matter competence to understand and apply the perspectives of a wider range of intended users, for example in evaluating the relevance of entity-developed criteria and in applying the concept of materiality, in the circumstances of the engagement. Key areas of competence that may be more challenging to acquire include understanding</p>	<p>Paragraphs 166 – 171 are background and context for the purposes of keeping a record of previous discussions with the Board. This material has not been included in the draft guidance, but the themes are to be brought out through use of examples. Before finalizing the combined phase 1 and 2 draft guidance, a check will be needed that these identified issues have been addressed satisfactorily in the guidance.</p> <p>An example is included in the draft guidance that:</p> <ul style="list-style-type: none"> • sets out the scope of what is to be assured (i.e. the 'ask' by the preparer) • illustrates the thought process/questions asked/knowledge needed as the practitioner assesses whether the preconditions are present • illustrates the subject matter expertise that may be needed and why (e.g. through questions that should be asked if PJ is being properly exercised, and which are not possible to ask/be thought of if there is inadequate knowledge of the subject matter) • illustrates the type of questions/judgments having to be made by the engagement partner regarding (i) the competence needed by the team as a whole. (ii) where to source

<p>and evaluating the entity's business model in relation to the broader underlying subject matter, and the ability to work effectively in multi-disciplinary teams.</p> <p>168. The DP proposed and the IAASB confirmed in relation to addressing challenge 9: <i>Obtaining the competence necessary to perform the engagement</i> that the non-authoritative guidance to be developed would address:</p> <ul style="list-style-type: none"> a) The competence expected of practitioners performing EER assurance engagements, noting that such guidance could be based on the application material already included in ISAE 34101, adapted to the EER environment; b) In relation to using the work of others, considerations relating to competence in the context of: <ul style="list-style-type: none"> i. Ethical and quality control considerations; ii. The ability to obtain evidence about the wide variety of EER subject matter information encountered; iii. Communications between the practitioner and experts; iv. The timing of the work performed by others; and v. The determination and application of the concept of materiality in the engagement circumstances; and c) The need to communicate explicitly about the competence of the engagement team in the assurance report and whether this would be helpful in enhancing confidence and trust in the EER assurance report. <p>169. In light of responses to the DP, the IAASB agreed that the guidance would also address:</p> <ul style="list-style-type: none"> a) The competence expected of the engagement partner (including considerations relevant to practitioners who are not professional accountants). 	<p>competence/expertise from (internal/external; experts/specialists) and (iii) what that means to direction, supervision, coaching, review of team members' work and how the team as a whole will operate</p> <p>Consideration to be given to whether to extend this example in the chapter on evidence to illustrate some questions that might arise when the engagement team is confronted with issues and how the decision is resolved/what might happen if the right expertise was not available or where PS was not exercised.</p> <p>Suggest that, throughout this and the other challenges, it may be useful to the practitioner to be able to see where the requirement is driven from so linkage can be made back to the requirements/application material of ISAE 3000 (Revised). This would provide rationale for inclusion of the matter/issue/challenge in practical guidance and show, through a number of examples, without suggesting new requirements or best practice, how the requirement may be able to be addressed.</p> <p>The guidance needs to be scalable, so examples of less complex and more complex scenarios could be included, but it needs to be evident from the examples that it is scalable to the engagement circumstances, rather than scalable to the size/nature of the practitioner's practice. If a practitioner doesn't have the necessary competence, that doesn't absolve the practitioner of the need to source the right expertise to perform the assurance engagement properly. There may be cost implications to doing so but that is a commercial decision, not one that should affect the rigor and quality of the assurance.</p>
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¹ ISAE 3410, paragraphs A18-19, A42-43

<p>b) Assessing the collective competence needed to perform an EER assurance engagement and the need to involve experts.</p> <p>170. The Task Force initially identified and discussed with the IAASB, at the March 2019 meeting of the Board, the following aspects of guidance as being needed to address this challenge:</p> <ul style="list-style-type: none">a) Implications of experts doing a significant proportion of the work, for example for the appropriate assurance skills they may need, to perform procedures or for direction, supervision and review.b) The potential usefulness of a 'skills matrix' in showing the skills of the assurance team.c) The extent to which the engagement partner needs knowledge of the underlying subject matter (to avoid undue reliance on experts).d) Quality management of the work of another practitioner whose work is intended to be used.e) The appropriateness of quality control procedures, such as reviews of work done, particularly when a large multi-disciplinary team is involved.f) Different parts of the engagement may require different competences, for example assessing the suitability of criteria may require a good understanding of the requirements of the Standard, whereas more subject matter specific knowledge may be required for performing certain assurance procedures.g) Understanding the differences between the responsibilities of the engagement partner and those of the rest of the engagement team. <p>171. The Board generally supported the aspects of guidance initially identified by the Task Force and additionally suggested the Task</p>	
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<p>Force should consider the following in developing the guidance for this challenge:</p> <ul style="list-style-type: none"> a) The guidance should be scalable and should not focus on the most complex engagements. b) With respect to the need for the engagement partner to take overall responsibility for the engagement: <ul style="list-style-type: none"> i. The engagement partner needs a certain level of subject matter competence. ii. The engagement report could convey the engagement team’s competence and overall responsibility of the engagement partner. c) Clarify whether “expert” is intended to be used in the same context as it is in the ISAs or means a person with expertise in the subject matter of the engagement. d) The Task Force should approach the idea of using a skills matrix with caution. e) There is a need to raise awareness of the differences in competence requirements for practitioners and others under the Standard as compared with other external services intended to provide assurance to users. 	
<p>What the Standard says</p> <p>172. The Task Force reviewed the requirements and application material in the Standard that relate to the above challenges and concluded that it is helpful to summarize these, by way of providing context in determining how to address those challenges in the guidance.</p> <p>173. The discussion that follows summarizes the key aspects of the standards identified in this respect by the Task Force. It also highlights the differences between the approaches to addressing</p>	<p>Rather than repeating what the standard says, linkage has been/will be made in the guidance to the underlying requirements of the standard, where applicable. Consider whether to include/refer from the guidance explicitly to ISAE 3410 material as it is useful material that could be applied to a number of subject matters other than GHG emissions</p> <p>Paragraphs 176 and 187 are not currently included in the draft guidance, but further consideration to be given to whether they should be explicitly included. At the moment, the draft guidance refers to the practitioner’s expert only in the example, and internal auditors have not</p>

<p>the competence necessary to perform a financial statement audit and an EER assurance engagement, including highlight a key difference in the way an auditor's/practitioner's expert is defined in ISAs compared to the Standard, and explains implications for how competence is assessed for those who perform the engagement and how the work of a practitioner's expert may be used in performing an EER assurance engagement.</p> <p>Nature of necessary competence to perform an EER assurance engagement</p> <p>174. The competence necessary to perform an assurance engagement includes both assurance competence (assurance skills and techniques) and subject matter competence (competence in the underlying subject matter of the engagement and in its measurement or evaluation). The objectives of the Standard are directed to the practitioner, and the practitioner is required to comply with each relevant requirement of the Standard.² In doing so, the practitioner is required to apply assurance competence as part of an iterative, systematic engagement process.³ The practitioner is an individual(s) who conducts the engagement (usually the engagement partner or other members of the engagement team or, as applicable, the firm).</p> <p>Requirements in the Standard to address necessary competence to perform the engagement</p> <p>175. The Standard includes requirements for the practitioner to address the competence of members of the engagement team and other individuals whose work is to be used by the practitioner (a practitioner's expert, another practitioner, not part of the engagement team, or an internal auditor).</p> <p>176. Any firm or network firm partner or staff and any other individual engaged by the firm or a network firm, who conducts or performs</p>	<p>been addressed; suggest including example of using the work of others, including internal audit, and also in a supply chain.</p> <p>Paragraphs 177 and 178 have been explicitly included in the draft guidance to draw out the requirements regarding ISQC 1/requirements 'at least as demanding'.</p> <p>Paragraphs 179, 180 are not included in the draft guidance as they are quite conceptual. The ideas have also been captured by other paragraphs.</p> <p>Paragraphs 181 -186 are included in the draft guidance, but with some modification/summarizing.</p>
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² ISAE 3000 (Revised), paragraphs 14, 17

³ ISAE 3000 (Revised), paragraph 39

the engagement, is referred to in this issues paper as an assurance practitioner. The responsibilities of an individual who conducts or performs the engagement include complying with requirements of the Standard. Such an individual is required to apply assurance competence in fulfilling those responsibilities. The engagement's assurance practitioners are members of the engagement team. The practitioner's internal experts (i.e. a practitioner's expert who is a partner or staff, including temporary staff, of the firm or a network firm), but not the firm's external experts, are also members of the engagement team.

Ethical and quality control requirements that address competence necessary to perform the engagement

177. The premise on which the Standard is based includes that the engagement's assurance practitioners are members of a firm that is subject to quality control requirements at least as demanding as [ISQC1] and that members of the engagement team are subject to relevant ethical requirements at least as demanding as [the IESBA Code]. The fundamental principles on which the IESBA Code is founded include professional competence and due care. ISQC1 requires the firm to establish policies and procedures that allow the firm to accept or continue only those engagements which the firm is competent to perform.

Assurance practitioners and practitioner's experts

178. Assurance practitioners are often professional accountants, but the Standard also acknowledges that a competent practitioner other than a professional accountant may choose to represent compliance with the Standard. Representing such compliance includes representing that they comply with the requirements of the Standard that address their own competence and the competence of others who are to perform the engagement (see paragraphs 180 and 181).

179. A practitioner's expert (whether an internal or an external expert) is an individual who has subject matter competence, often with a relatively high level of subject matter expertise. Such an expert is not usually an assurance practitioner. However, an individual with

subject matter expertise, who performs a role as a practitioner's expert on an assurance engagement, may also have the assurance competence to perform a role as an assurance practitioner (which may include the competence to perform the role of engagement partner). Such an individual may perform roles as both an assurance practitioner and a practitioner's expert on the same engagement.

180. There may be relevant ethical considerations where a practitioner's expert also performs a role as an assurance practitioner on the same engagement. For example, there may be threats to the assurance practitioner's objectivity or self-review threats if the role of an assurance practitioner involves performing assurance procedures in accordance with paragraph 52 of the Standard, in relation to their role as a practitioner's expert on the same engagement.

Competence of the engagement partner

181. The engagement partner is required to have a relatively high level of assurance competence (i.e. a level of competence that has been developed through extensive training and practical application), as well as sufficient subject matter competence to accept responsibility for the assurance conclusion.⁴

Competence of other assurance practitioners

182. The engagement partner is also required to be satisfied that those persons who are to perform the engagement (the engagement's assurance practitioners) collectively have the appropriate competence to comply with the Standard and enable an appropriate assurance report to be issued.⁵ This is likely to include considering the levels of both assurance competence and subject matter competence needed, in the circumstances of the engagement, by engagement's assurance practitioners.

⁴ ISAE 3000 (Revised) paragraphs 31 (a) and (c)

⁵ ISAE 3000 (Revised), paragraph 32(a)

183. Some EER assurance engagements require specialized competence or a level of expertise beyond that ordinarily possessed by practitioners. The assurance practitioners other than the engagement partner, who perform the engagement, may therefore need to have a combination of different levels of assurance competence and different levels of subject matter competence, or access to the work of one or more practitioner's experts, to perform such an engagement. All assurance practitioners are likely to need some level of competence in both. However, some may also need to have specialized subject matter competence or specialized assurance competence.

Competence of a practitioner's expert

184. Where an engagement requires a high level of subject matter expertise, or subject matter competence in a specialized area, some of the assurance work may need to be performed by a multi-disciplinary team. This may include integrating the work of assurance practitioners, who may have subject matter competence in a specialized area or a higher level of subject matter expertise, with the work of one or more practitioner's experts.

185. A practitioner's expert is not required to have assurance competence but may need a sufficient understanding of the Standard to enable that expert to relate the work assigned to them to the engagement objective.

186. An assurance practitioner may use the work of a practitioner's expert if, having followed relevant requirements of the Standard, they conclude that the work of that expert is adequate for the practitioner's purposes. Such relevant requirements include evaluating whether the practitioner's expert has the necessary subject matter competence for the practitioner's purposes. If so, the assurance practitioner may accept that expert's findings or conclusions in the expert's field (i.e. findings or conclusions of that expert that are based on their subject matter expertise but not those based on their assurance competence), as appropriate evidence. The practitioner's sole responsibility for the assurance

<p>conclusion expressed (the formation of which involves applying the practitioner’s assurance competence) is not reduced by such use of that expert’s work.</p> <p>Competence of other individuals whose work is relevant to the engagement</p> <p>187. A practitioner may also determine that it is appropriate to use, as evidence, information prepared with the assistance of a preparer’s expert, or the work of another practitioner, not part of the engagement team, or the work of an internal auditor. In that case, the practitioner is required to evaluate the competence of the preparer’s expert or the level of competence of the internal audit function and whether the work of another practitioner is adequate for the practitioner’s purposes, which may include evaluating the competence of the other practitioner.</p>	
<p>Differences between financial statement audits and EER assurance engagements</p> <p>188. In a financial statement audit, the collective competence of the engagement team includes expertise in the fields of accounting and auditing. Certain aspects of financial accounting may require specialist knowledge and skills and, in such a situation, the audit engagement team may include a person, whether engaged or employed by the firm, using expertise in a specialized area of accounting or auditing to perform audit procedures, or a person with such expertise may be involved in the engagement in a consultation capacity only.⁶ Neither of these is defined as an expert in the ISAs.</p> <p>189. In the context of a financial statement audit, an auditor’s expert is an individual who has expertise in a field other than accounting or auditing, whose work in that field is used by the auditor to assist the auditor in obtaining sufficient appropriate audit evidence.⁷ A</p>	<p>Suggest this material in paragraphs 188 – 194 may be better placed in the Supplement.</p> <p>In the guidance, draw out the concepts of these paragraphs in the examples (the first example included in the draft is complex to show the sort of considerations that the practitioner may need to think about, but is contrasted with a simpler example to show that this is an area where a practitioner is likely to have to exercise judgment and that it is dependent on the engagement circumstances as to how much expertise, how much direction, supervision and review, and how much integration may be needed. The third dimension added to the diagram set out in paragraph 206 of the Issues Paper attempts to show this.</p>

⁶ ISA 220 paragraph A10

⁷ ISA 620 paragraph 7

key difference between a financial statement audit and an assurance engagement performed in accordance with the Standard is therefore that in a financial statement audit subject matter competence (expertise in the field of accounting, whether in a general or specialized area) is treated as a core competence of the audit practitioner whereas in an EER assurance engagement subject matter competence (expertise in the field of EER reporting) beyond a general level of such competence is not treated as a core competence of an EER assurance practitioner.

190. Assurance competence is the key competence of an assurance practitioner in an EER assurance engagement. Assurance skills and techniques include those planning, evidence gathering, evidence evaluation, communication and reporting skills and techniques demonstrated by an assurance practitioner that are distinct from expertise in the underlying subject matter of any particular assurance engagement or its measurement or evaluation⁸; they include the application of professional skepticism and professional judgment, obtaining and evaluating evidence, understanding information systems and the role and limitations of internal control, and linking the consideration of materiality and engagement risks to the nature, timing and extent of procedures. Accordingly, they involve far more than the application of subject matter expertise.
191. An EER engagement may be undertaken in relation to a wide range of subject matters, many of which may require extensive subject matter expertise, for example, scientific or engineering skills, to be able to perform the engagement. While the assurance practitioner may have some subject matter expertise, the higher levels of such expertise and the expertise in specialized areas of the subject matter that may be needed to perform the engagement may go beyond those ordinarily possessed by most assurance practitioners. This may be more likely to be the case

⁸ ISAE 3000 (Revised) paragraph 12(b)

<p>when the EER report addresses broader or more complex underlying subject matter.</p> <p>192. Consequently, in broader or more complex engagements, a significant proportion of the assurance work may need to be performed by assurance practitioners who also have relevant subject matter expertise, or may depend on the practitioner using the work of a practitioner's expert. Such experts may have some assurance competence, but may not possess the extensive assurance competence required to perform an assurance engagement in accordance with the Standard.</p> <p>193. The extent to which it is necessary to use the work of practitioner's experts will be a matter of judgment, but it is essential to keep in mind that the more complex the engagement the more necessary it may be to closely integrate the work of those experts with the work of the assurance practitioners. The Standard requires <u>assurance</u> skills and techniques to be applied during the conduct of the assurance engagement. Although such expertise is the core competence of an assurance practitioner, having a certain level of subject matter expertise is likely to be essential to enable the assurance practitioners' assurance competence to be applied effectively in performing the engagement.</p> <p>194. While the subject matter expert has specialized skills and knowledge that may enable an informed and knowledgeable view on the subject matter, they may not have the extensive assurance skills required by the Standard and/or are not bound by their professional requirements to comply with those requirements even if they do have the skills.</p>	
<p>Responsibility for the assurance conclusion on the subject matter information</p> <p>195. The IESBA Code requires that the practitioner should only undertake engagements where the firm is competent to perform</p>	<p>First part of paragraph 195 not explicitly addressed; consider if specific mention of the IESBA Code requirement should be included. The latter part of this paragraph and 196 is included in the draft guidance.</p>

<p>the engagement and has the capabilities to do so.⁹ The engagement partner is required to have competence in assurance skills and techniques developed through extensive training and practical application, and sufficient competence in the underlying subject matter and its measurement or evaluation to accept responsibility for the assurance conclusion.¹⁰</p> <p>196. The practitioner has sole responsibility for the assurance conclusion expressed, and that responsibility is not reduced by the practitioner's use of the work of a practitioner's expert. Nonetheless, the practitioner may accept a subject matter expert's findings or conclusions in the expert's field as appropriate evidence if they conclude that the work of that expert is adequate for the practitioner's purposes.¹¹</p> <p>197. Accordingly, the Task Force is of the view that:</p> <ul style="list-style-type: none">a) an EER assurance engagement performed in accordance with the Standard should be led by an engagement partner who is an assurance practitioner with an appropriately high level of assurance competence, and cannot be led by an individual with a high level of subject matter expertise who does not have the appropriately high level of assurance competence necessary to comply with the requirements of the Standard;b) the engagement partner should have sufficient understanding of, and competence in, the subject matter to be able to apply professional skepticism to the work of the expert and assess its appropriateness as evidence in forming the assurance conclusion; and	<p>Paragraph 197 not explicitly included – consider if it needs to be made more explicit in the draft guidance.</p>
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⁹ IESBA Code paragraph 210.6 and ISAE 3000 (Revised) paragraph A68

¹⁰ ISAE 3000 (Revised) paragraph 31

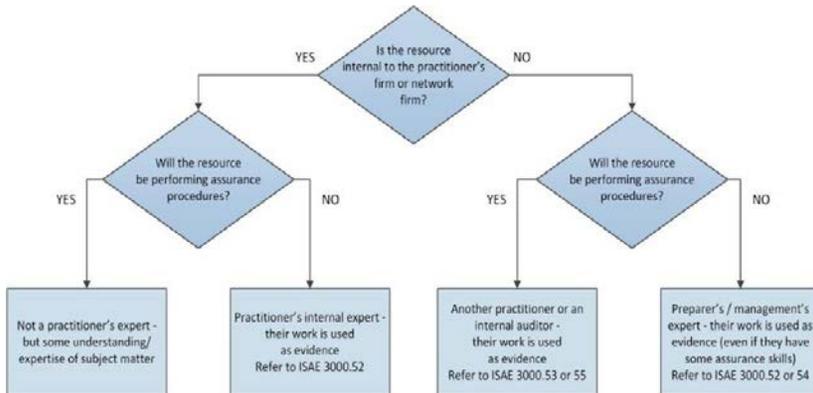
¹¹ ISAE 3000 (Revised) paragraph A68

<p>c) the engagement partner and engagement team subject matter competence may vary depending on the engagement circumstances, and also may vary relative to each other.</p>	
<p>The practitioner’s thought process in accepting and performing the engagement</p> <p>198. The Task Force proposes that it may be helpful to frame the guidance in relation to this challenge around a framework for the practitioner’s thought process when considering the competence of the engagement team and other individuals collectively, in the context of a particular engagement, and in applying the different competences that might be required at different stages, or in relation to different aspects, of the engagement.</p> <p>199. The Task Force proposes that the guidance will include consideration of the assurance and subject matter competence necessary at acceptance and in performing each key stage of the engagement. The Task Force also proposes to illustrate how such competence may be applied in performing assurance procedures, or may be evaluated by the assurance practitioner applying assurance competence in determining whether work or information, which results from the application of subject matter or assurance competence, is adequate for the practitioner’s purposes to be used as evidence in forming the assurance conclusion.</p> <p>200. In addition, it is proposed that the guidance will address differences in approach when addressing practitioner’s internal and external experts, including the implications for the practitioner’s quality control considerations.</p> <p>Acceptance of the engagement</p> <p>201. Before accepting the engagement, the practitioner considers the collective assurance and subject matter competence needed to perform the engagement, taking into account the particular circumstances of the engagement. Factors the practitioner may take into account include:</p>	<p>A framework/thought process not explicitly set out (although could do this if considered useful and if the example/s are not sufficient on their own). Paragraphs 199 and 201 content dealt with by way of an example in the guidance, but further/different examples may be needed.</p> <p>The example could possibly be extended further to show the considerations not only at the acceptance and planning stage, but also during the process of obtaining evidence, for example, by developing the expert’s findings and the interactions needed on the team.</p> <p>Paragraph 200 briefly addressed in the guidance through multisite/multi-team paragraph. Consider if further guidance may be needed.</p> <p>Paragraph 202 included in the draft guidance.</p> <p>Feedback from June IAASB meeting breakout sessions indicated that the diagram in paragraph 203 was not particularly useful in its current form as it didn’t add much practical value and seemed to focus too much on the internal/external question. It is also repetitive of the requirements of the standard (although it may be useful to see those set out in a visual format). Omitted from the guidance.</p> <p>Paragraphs 204 to 205 not included as text, but have been addressed in the example.</p> <p>Paragraph 206 – Included in the draft guidance and in the ‘cube’ diagram that the greater the significance of the expert’s work, the more direction, supervision, review and/or assessment of that work may be needed. Materiality would be the same for the expert and for the rest of the team where the expert is a practitioner’s expert as that would be set by the practitioner. If a management’s expert or IA are used, the would be part of what the practitioner would need to assess when considering the appropriateness of the expert’s work – that it had been performed with the same idea of user needs in mind as that of the practitioner. If</p>

<p>a) The nature and complexity of the underlying subject matter;</p> <p>b) The extent to which the underlying subject matter lends itself to precise measurement or whether there is a high degree of measurement uncertainty;</p> <p>c) The engagement partner's and engagement team's competence and previous experience in relation to the subject matter; and</p> <p>d) The level of assurance to be provided.</p> <p>202. In a more complex engagement, the practitioner may find it helpful to draw up a skills matrix setting out the assurance and subject matter competencies necessary to perform the engagement and those of key engagement team members and other individuals whose work is to be used in performing the engagement. Such a matrix could help the practitioner to assess whether and from what possible sources the identified competence necessary to perform the engagement can be obtained. Such a matrix may also identify where subject matter competence in a specialized area may be required and whether it is available to the practitioner from within their own firm or network (practitioner's internal expert) or may need to be obtained from outside the firm or network.</p> <p>203. The decision tree below may be helpful in considering how the competence of resources available to the practitioner is to be used on the engagement – i.e. whether such competence is to be used:</p> <p>a) By assurance practitioners in performing assurance procedures under the direction, supervision and review of the engagement partner, or</p> <p>b) By a practitioner's expert, another practitioner, not part of the engagement team, a preparer's expert or internal auditor, whose competence needs to be evaluated in order to establish whether their work or the information they produce can be used</p>	<p>the management's expert or IA had used a different materiality consideration, then that may or may not be acceptable (PJ). Consider bringing this out explicitly.</p>
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as appropriate evidence by the practitioner in forming the assurance conclusion.

Subject matter competence decision tree



Planning and performing the engagement

204. In performing the engagement, assurance skills and techniques are applied as part of an iterative, systematic engagement process. Accordingly the composition of engagement team is considered throughout the engagement and the direction, supervision and review of their work takes account of the extent of their assurance competence, as well as the extent of their subject matter competence. The lower the level of assurance competence, the higher the need for direction, supervision and review of their work; the lower the extent of their subject matter competence when they are performing assurance procedures, the lower their ability to exercise professional skepticism and professional judgment in relation to the evidence gathered, including the evidence obtained from using the work of an expert. The diagram below illustrates the levels of assurance skills that may be available in the engagement team and the level both of the subject matter competence and of the direction, supervision

and review that may be appropriate in the engagement circumstances

205. In applying the framework/thought process above, the Task Force believes that:

- a) There is flexibility in how the team is composed, provided the skills are appropriate to the engagement circumstances and provided the engagement is led by a person with both the required degree of assurance skills and practical experience and an appropriate understanding of the subject matter;
- b) The engagement partner is sufficiently and appropriately involved in the engagement and able to apply the appropriate degree of direction, supervision and review, depending on the composition of the team and the complexity of the engagement;
- c) Where subject matter experts or other practitioners are used, both the context in which their work is to be used and the actions the practitioner is required to take in order to be able to use their work as evidence are clarified.

206. As noted in paragraph 118, the Task Force will give further consideration to the concept of materiality, including in relation to use of the work of experts.

Engagement partner and engagement team competence

